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## SENATE BILL No. 376

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.5.

**Synopsis:** Wheel tax and license excise surtax exemptions. Allows a county to adopt an ordinance to exempt a vehicle owned by a person who is at least 65 years of age and whose state adjusted gross income does not exceed \$25,000 from the wheel tax or the license excise surtax, or both.

**Effective:** July 1, 2004.

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January 12, 2004, read first time and referred to Committee on Finance.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## SENATE BILL No. 376

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-3.5-4-2 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. (a) The county  
3 council of any county may, subject to the limitation imposed by  
4 subsection (c), adopt an ordinance to impose an annual license excise  
5 surtax at the same rate or amount on each motor vehicle listed in  
6 subsection (b) that is registered in the county. The county council may  
7 impose the surtax either:

8 (1) at a rate of not less than two percent (2%) nor more than ten  
9 percent (10%); or

10 (2) at a specific amount of at least seven dollars and fifty cents  
11 (\$7.50) and not more than twenty-five dollars (\$25).

12 However, the surtax on a vehicle may not be less than seven dollars and  
13 fifty cents (\$7.50). The county council shall state the surtax rate or  
14 amount in the ordinance which imposes the tax.

15 (b) **Except as provided in subsection (d)**, the license excise surtax  
16 applies to the following vehicles:

17 (1) Passenger vehicles.

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(2) Motorcycles.

(3) Trucks with a declared gross weight that does not exceed eleven thousand (11,000) pounds.

(c) The county council may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to impose the wheel tax.

(d) **A county council that adopts an ordinance under subsection (a) may adopt an ordinance to exempt from the surtax a vehicle owned by a person:**

**(1) who is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the license excise surtax is due; and**

**(2) whose adjusted gross income (as defined in IC 6-3-1-3.5) for the calendar year preceding the year in which the surtax is due does not exceed twenty-five thousand dollars (\$25,000).**

**For purposes of this subsection, a person's adjusted gross income includes the adjusted gross income of the person's spouse and any other person with whom ownership of the vehicle is shared, if applicable.**

(e) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 1983, to impose or change the annual license excise surtax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

SECTION 2. IC 6-3.5-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. (a) The county council of any county may, subject to the limitation imposed by subsection (b), adopt an ordinance to impose an annual wheel tax on each vehicle which:

(1) is included in one (1) of the classes of vehicles listed in section 3 of this chapter;

(2) is not exempt from the wheel tax under section 4 of this chapter; ~~and~~

**(3) is not exempt under an ordinance adopted under subsection (d); and**

**(4) is registered in the county.**

(b) The county council of a county may not adopt an ordinance to impose the wheel tax unless it concurrently adopts an ordinance under IC 6-3.5-4 to impose the annual license excise surtax.

(c) The county council may impose the wheel tax at a different rate for each of the classes of vehicles listed in section 3 of this chapter. In addition, the county council may establish different rates within the

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1 classes of buses, semitrailers, trailers, tractors, and trucks based on  
 2 weight classifications of those vehicles that are established by the  
 3 bureau of motor vehicles for use throughout Indiana. However, the  
 4 wheel tax rate for a particular class or weight classification of vehicles  
 5 may not be less than five dollars (\$5) and may not exceed forty dollars  
 6 (\$40). The county council shall state the initial wheel tax rates in the  
 7 ordinance that imposes the tax.

8 **(d) A county council that adopts an ordinance under subsection**  
 9 **(a) may adopt an ordinance to exempt from the wheel tax a vehicle**  
 10 **owned by a person:**

11 (1) who is at least sixty-five (65) years of age on or before  
 12 December 31 of the calendar year preceding the year in which  
 13 the license excise surtax is due; and

14 (2) whose adjusted gross income (as defined in IC 6-3-1-3.5)  
 15 for the calendar year preceding the year in which the wheel  
 16 tax is due does not exceed twenty-five thousand dollars  
 17 (\$25,000).

18 For purposes of this subsection, a person's adjusted gross income  
 19 includes the adjusted gross income of the person's spouse and any  
 20 other person with whom ownership of the vehicle is shared, if  
 21 applicable.

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